



# **Social Services Legislation Amendment (Cashless Debit Card Trial Expansion) Act 2018**

**No. 110, 2018**

**An Act to amend the law relating to social security,  
and for related purposes**

Note: An electronic version of this Act is available on the Federal Register of Legislation  
(<https://www.legislation.gov.au/>)



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**No. 110, 2018**

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**An Act to amend the law relating to social security,  
and for related purposes**

*[Assented to 21 September 2018]*

The Parliament of Australia enacts:

## **1 Short title**

*This Act is the Social Services Legislation Amendment (Cashless Debit Card Trial Expansion) Act 2018.*

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*No. 110, 2018      Social Services Legislation Amendment (Cashless Debit Card Trial  
Expansion) Act 2018      1*

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## 2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

<b>Commencement information</b>		
<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provisions</b>	<b>Commencement</b>	<b>Date/Details</b>
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day this Act receives the Royal Assent.	21 September 2018
1A. Schedule 1A	The day after this Act receives the Royal Assent.	22 September 2018
2. Schedule 1, Part 1	The day after the end of the period of 3 months beginning on the day this Act receives the Royal Assent.	21 December 2018
3. Schedule 1, Part 2, Division 1	The day after this Act receives the Royal Assent.  However, the provisions do not commence at all if item 7 of Schedule 1 to the <i>Social Services Legislation Amendment (Housing Affordability) Act 2018</i> commences on or before that day.	22 September 2018
4. Schedule 1, Part 2, Division 2	The later of: (a) immediately after the commencement of the provisions covered by table item 1A; and (b) immediately after the commencement of item 7 of Schedule 1 to the <i>Social Services Legislation Amendment (Housing Affordability) Act 2018</i> .  However, the provisions do not commence at all if the event mentioned in paragraph (b) does not occur.	Never commenced

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<b>Commencement information</b>		
<b>Column 1</b>	<b>Column 2</b>	<b>Column 3</b>
<b>Provisions</b>	<b>Commencement</b>	<b>Date/Details</b>
5. Schedule 1, Part 3	20 March 2020.	20 March 2020

Note: This table relates only to the provisions of this Act as originally enacted. It will not be amended to deal with any later amendments of this Act.

- (2) Any information in column 3 of the table is not part of this Act. Information may be inserted in this column, or information in it may be edited, in any published version of this Act.

### **3 Schedules**

Legislation that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

## Schedule 1A—Amendments commencing day after Royal Assent

### *Social Security (Administration) Act 1999*

#### **1 Subsection 124PD(1) (definition of *trial participant*)**

Omit “subsection 124PG(2)”, substitute “sections 124PG to 124PGB”.

#### **2 Subsection 124PD(2)**

Omit “legislative”, substitute “notifiable”.

#### **3 Section 124PE**

Omit “legislative”, substitute “notifiable”.

#### **4 Section 124PG**

Repeal the section, substitute:

#### **124PG Trial participants—Ceduna area**

- (1) A person is a *trial participant* if:
  - (a) the person’s usual place of residence is, becomes or was within the Ceduna area; and
  - (b) the person is receiving a trigger payment; and
  - (c) the person has not reached pension age; and
  - (d) the person does not have a Part 3B payment nominee (within the meaning of Part 3B); and
  - (e) the person’s payments (if any) under the scheme known as the ABSTUDY scheme that include an amount identified as living allowance are not being paid to another person; and
  - (f) the person is not covered by a determination under subsection 43(3A); and
  - (g) the person is not subject to the income management regime under section 123UC, 123UCB, 123UCC or 123UF; and
  - (h) subsection (3) does not apply to the person; and
  - (i) the person is not covered by a determination under subsection (4).



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- (2) To avoid doubt, if a person's usual place of residence becomes within the Ceduna area and subsection (1) applies to the person, the person is a trial participant on and after the day that the person's usual place of residence becomes within that area.
  - (3) This subsection applies to a person if:
    - (a) the person is undertaking full-time study (as defined by section 541B of the 1991 Act); and
    - (b) while undertaking that study, the person is living outside the Ceduna area.
  - (4) The Secretary must determine that a person is not a trial participant under this section if the Secretary is satisfied that being a trial participant under this section would pose a serious risk to the person's mental, physical or emotional wellbeing.
  - (5) The Secretary is not required to inquire into whether a person being a trial participant under this section would pose a serious risk to the person's mental, physical or emotional wellbeing.
  - (6) A determination under subsection (4) is not a legislative instrument.

#### **124PGA Trial participants—East Kimberley area**

- (1) A person is a *trial participant* if:
  - (a) the person's usual place of residence is, becomes or was within the East Kimberley area; and
  - (b) the person is receiving a trigger payment; and
  - (c) the person has not reached pension age; and
  - (d) the person does not have a Part 3B payment nominee (within the meaning of Part 3B); and
  - (e) the person's payments (if any) under the scheme known as the ABSTUDY scheme that include an amount identified as living allowance are not being paid to another person; and
  - (f) the person is not covered by a determination under subsection 43(3A); and
  - (g) the person is not subject to the income management regime under section 123UC, 123UCB, 123UCC or 123UF; and
  - (h) subsection (3) does not apply to the person; and

- (i) the person is not covered by a determination under subsection (4).
- (2) To avoid doubt, if a person's usual place of residence becomes within the East Kimberley area and subsection (1) applies to the person, the person is a trial participant on and after the day that the person's usual place of residence becomes within that area.
- (3) This subsection applies to a person if:
  - (a) the person is undertaking full-time study (as defined by section 541B of the 1991 Act); and
  - (b) while undertaking that study, the person is living outside the East Kimberley area.
- (4) The Secretary must determine that a person is not a trial participant under this section if the Secretary is satisfied that being a trial participant under this section would pose a serious risk to the person's mental, physical or emotional wellbeing.
- (5) The Secretary is not required to inquire into whether a person being a trial participant under this section would pose a serious risk to the person's mental, physical or emotional wellbeing.
- (6) A determination under subsection (4) is not a legislative instrument.

#### **124PGB Trial participants—Goldfields area**

- (1) A person is a *trial participant* if:
  - (a) the person's usual place of residence is, becomes or was within the Goldfields area; and
  - (b) the person is receiving a trigger payment; and
  - (c) the person has not reached pension age and will not reach pension age before 26 March 2019; and
  - (d) the person does not have a Part 3B payment nominee (within the meaning of Part 3B); and
  - (e) the person's payments (if any) under the scheme known as the ABSTUDY scheme that include an amount identified as living allowance are not being paid to another person; and
  - (f) the person is not covered by a determination under subsection 43(3A); and

- (g) the person is not subject to the income management regime under section 123UC, 123UCB, 123UCC or 123UF; and
  - (h) subsection (3) does not apply to the person; and
  - (i) the person is not covered by a determination under subsection (4).
- (2) To avoid doubt, if a person's usual place of residence becomes within the Goldfields area and subsection (1) applies to the person, the person is a trial participant on and after the day that the person's usual place of residence becomes within that area.
- (3) This subsection applies to a person if:
- (a) the person is undertaking full-time study (as defined by section 541B of the 1991 Act); and
  - (b) while undertaking that study, the person is living outside the Goldfields area.
- (4) The Secretary must determine that a person is not a trial participant under this section if the Secretary is satisfied that being a trial participant under this section would pose a serious risk to the person's mental, physical or emotional wellbeing.
- (5) The Secretary is not required to inquire into whether a person being a trial participant under this section would pose a serious risk to the person's mental, physical or emotional wellbeing.
- (6) A determination under subsection (4) is not a legislative instrument.

#### **5 Paragraph 124PH(1)(a)**

Repeal the paragraph, substitute:

- (a) the person is receiving a trigger payment or an age pension; and

#### **6 After paragraph 124PH(1)(b)**

Insert:

- (ba) the person does not have a Part 3B payment nominee (within the meaning of Part 3B); and

- (bb) the person's payments (if any) under the scheme known as the ABSTUDY scheme that include an amount identified as living allowance are not being paid to another person; and
- (bc) the person is not covered by a determination under subsection 43(3A); and
- (bd) the person is not subject to the income management regime under Part 3B; and

### **7 Subsection 124PH(3)**

Repeal the subsection, substitute:

- (3) Until a person withdraws the notification, the person is a ***voluntary participant***, unless the Secretary determines that the person is not to be subject to cashless welfare arrangements under subsection (4).

### **8 Section 124PI**

Repeal the section.

### **9 Subsections 124PJ(3) to (5)**

Repeal the subsections, substitute:

- (3) For a person who is a trial participant or voluntary participant, the Secretary may make a determination that:
  - (a) varies the percentage amount in paragraph (1)(a) to 0%; and
  - (b) varies the percentage amount in paragraph (1)(b) to 100%; and
  - (c) varies the percentage amount in subsection (2) to 0%.
- (4) The Secretary may make a determination under subsection (3) only if:
  - (a) the Secretary is satisfied that the person is unable to use the person's debit card that was issued to the person and that is attached to the person's welfare restricted bank account, or is unable to access that account, as a direct result of:
    - (i) a technological fault or malfunction with that card or account; or
    - (ii) a natural disaster; or

- (b) the person's restrictable payment is payable in instalments and the Secretary is satisfied that any part of the payment is payable:
  - (i) at a time determined under subsection 43(2), where that determination is made because the person is in severe financial hardship as a result of exceptional and unforeseen circumstances; or
  - (ii) under a determination under subsection 51(1).
- (5) A determination under subsection (3) takes effect on the day specified in the determination (which must not be earlier than the day on which the determination is made).
- (6) A determination under subsection (3) is not a legislative instrument.

**10 Subsection 124PK(4)**

Repeal the subsection.

**11 Subsection 124PK(5)**

Omit "The", substitute "Subject to subsection (6), the".

**12 At the end of section 124PK**

Add:

- (6) The written direction has no effect in relation to a trial participant or voluntary participant during the period a determination under subsection 124PJ(3) is in effect in relation to the trial participant or voluntary participant.

**13 After subsection 124PQ(2)**

Insert:

- (2A) For the purposes of subsection 51(1) of the *Competition and Consumer Act 2010*, the declining of a transaction by a supplier of goods or services is specified and specifically authorised if the transaction would involve:
  - (a) money in a welfare restricted bank account; and
  - (b) the obtaining of:
    - (i) alcoholic beverages; or

- (ii) gambling; or
- (iii) a cash-like product that could be used to obtain alcoholic beverages or gambling.

Note: For *cash-like product*, see section 124PQA.

## 14 After section 124PQ

Insert:

### 124PQA Cash-like products

Without limiting sections 124PM and 124PQ, *cash-like product* includes any of the following:

- (a) a gift card, store card, voucher or similar article (whether in a physical or electronic form);
- (b) a money order, postal order or similar order (whether in a physical or electronic form);
- (c) digital currency.

## 15 Application and transitional provisions

- (1) Section 124PG of the *Social Security (Administration) Act 1999*, as substituted by this Schedule, applies in relation to a person whose usual place of residence:
  - (a) is, on the day this item commences, within the Ceduna area; or
  - (b) becomes, on or after the day this item commences, within the Ceduna area.
- (2) Paragraph 124PG(1)(a) of the *Social Security (Administration) Act 1999*, as substituted by this Schedule, is taken to be satisfied in relation to any person whose usual place of residence was within the Ceduna area on any day during the period beginning on 15 March 2016 and ending at the end of the day this Act receives the Royal Assent.
- (3) Section 124PGA of the *Social Security (Administration) Act 1999*, as substituted by this Schedule, applies in relation to a person whose usual place of residence:
  - (a) is, on the day this item commences, within the East Kimberley area; or

- (b) becomes, on or after the day this item commences, within the East Kimberley area.
- (4) Paragraph 124PGA(1)(a) of the *Social Security (Administration) Act 1999*, as substituted by this Schedule, is taken to be satisfied in relation to any person whose usual place of residence was within the East Kimberley area on any day during the period beginning on 26 April 2016 and ending at the end of the day this Act receives the Royal Assent.
- (5) Section 124PGB of the *Social Security (Administration) Act 1999*, as substituted by this Schedule, applies in relation to a person whose usual place of residence:
- (a) is, on the day this item commences, within the Goldfields area; or
  - (b) becomes, on or after the day this item commences, within the Goldfields area.
- (6) Paragraph 124PGB(1)(a) of the *Social Security (Administration) Act 1999*, as substituted by this Schedule, is taken to be satisfied in relation to any person whose usual place of residence was within the Goldfields area on any day during the period beginning on 26 March 2018 and ending at the end of the day this Act receives the Royal Assent.

### ***Social Security (Administration) (Trial of Cashless Welfare Arrangements) Determination 2018***

#### **16 The whole of the instrument**

Repeal the instrument.

#### **17 Saving provisions**

- (1) Despite the amendments made by this Schedule, a legislative instrument in force under subsection 124PD(2) of the *Social Security (Administration) Act 1999* immediately before the commencement of this item continues in force on and after that commencement until the first notifiable instrument made under that subsection commences.
- (2) Despite the amendments made by this Schedule, a legislative instrument in force under section 124PE of the *Social Security (Administration) Act 1999* immediately before the commencement of this item continues in

force on and after that commencement until the first notifiable instrument made under that section commences.



## **Schedule 1—Amendments commencing later**

### **Part 1—Main amendments**

#### ***Social Security (Administration) Act 1999***

##### **1 Subsection 124PD(1)**

Insert:

***Bundaberg and Hervey Bay area*** means the area within the boundaries of the Division (within the meaning of the *Commonwealth Electoral Act 1918*) of Hinkler, as those boundaries were in force on 31 May 2018.

##### **2 Subsection 124PD(1) (after paragraph (c) of the definition of *trial area*)**

Insert:

(d) the Bundaberg and Hervey Bay area;

##### **3 Subsection 124PD(1) (definition of *trial participant*)**

Omit “124PGB”, substitute “124PGC”.

##### **7 Paragraph 124PF(1)(b)**

Repeal the paragraph, substitute:

(b) ending on:

- (i) except in relation to the Bundaberg and Hervey Bay area—30 June 2019; or
- (ii) in relation to the Bundaberg and Hervey Bay area—30 June 2020.

##### **8 Subsection 124PF(3)**

Omit “10,000”, substitute “15,000”.

##### **10 At the end of Subdivision A of Division 2 of Part 3D**

Add:

### **124PGC Trial participants—Bundaberg and Hervey Bay area**

- (1) A person is a *trial participant* if:
  - (a) the person's usual place of residence is, becomes or was within the Bundaberg and Hervey Bay area; and
  - (b) the person is receiving newstart allowance, youth allowance (where neither section 540AA of the 1991 Act (about new apprentices) nor paragraph 541(1)(a) of the 1991 Act (about full-time study) applies) or parenting payment; and
  - (c) the person is under 35 years of age on the day this section commences and the person has not turned 36 years of age; and
  - (d) the person does not have a Part 3B payment nominee (within the meaning of Part 3B); and
  - (e) the person is not covered by a determination under subsection 43(3A); and
  - (f) the person is not subject to the income management regime under section 123UC, 123UCB, 123UCC or 123UF; and
  - (g) subsection (3) does not apply to the person; and
  - (h) the person is not covered by a determination under subsection (4).
- (2) To avoid doubt, if a person's usual place of residence becomes within the Bundaberg and Hervey Bay area and subsection (1) applies to the person, the person is a trial participant on and after the day that the person's usual place of residence becomes within that area.
- (3) This subsection applies to a person if:
  - (a) the person is undertaking full-time study (as defined by section 541B of the 1991 Act); and
  - (b) while undertaking that study, the person is living outside the Bundaberg and Hervey Bay area.
- (4) The Secretary must determine that a person is not a trial participant under this section if the Secretary is satisfied that being a trial participant under this section would pose a serious risk to the person's mental, physical or emotional wellbeing.

- (5) The Secretary is not required to inquire into whether a person being a trial participant under this section would pose a serious risk to the person's mental, physical or emotional wellbeing.
- (6) A determination under subsection (4) is not a legislative instrument.

### **11 Paragraph 124PH(1)(b)**

After "area", insert "(except the Bundaberg and Hervey Bay area)".

### **12 Application provision**

Section 124PGC of the *Social Security (Administration) Act 1999*, as added by this Part, applies in relation to a person whose usual place of residence:

- (a) is, on the day this item commences, within the Bundaberg and Hervey Bay area; or
- (b) becomes, on or after the day this item commences, within the Bundaberg and Hervey Bay area.

Note: That section may continue to apply to the person if the person's usual place of residence after the commencement of this item ceases to be in the Bundaberg and Hervey Bay area.

### **15A After section 124PR**

Insert:

### **124PS Evaluation of trial review**

- (1) If the Minister or the Secretary causes a review of the trial of the cashless welfare arrangements mentioned in section 124PF to be conducted, the Minister must cause the review to be evaluated.
- (2) The evaluation must:
  - (a) be completed within 6 months from the time the Minister receives the review report; and
  - (b) be conducted by an independent evaluation expert with significant expertise in the social and economic aspects of welfare policy.
- (3) The independent expert must:
  - (a) consult trial participants; and

**Schedule 1** Amendments commencing later  
**Part 1** Main amendments

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- (b) make recommendations as to:
  - (i) whether cashless welfare arrangements are effective;  
and
  - (ii) whether such arrangements should be implemented  
outside of a trial area.
- (4) The Minister must cause a written report about the evaluation to be prepared.
- (5) The Minister must cause a copy of the report to be laid before each House of Parliament within 15 days after the completion of the report.

## **Part 2—Contingent amendments**

### **Division 1—Amendments that may not commence at all**

#### ***Social Security (Administration) Act 1999***

##### **17 Paragraph 124PM(a)**

Repeal the paragraph, substitute:

- (a) may use the restricted portion of the payment, as paid under subsection 124PL(2), to obtain goods or services, other than:
  - (i) alcoholic beverages; or
  - (ii) gambling; or
  - (iii) a cash-like product that could be used to obtain alcoholic beverages or gambling; and

##### **18 At the end of section 124PM**

Add:

Note: For *cash-like product*, see section 124PQA.

##### **19 Application provision**

The amendments of section 124PM of the *Social Security (Administration) Act 1999* made by this Division apply in relation to the use, on or after the commencement of this item, of the restricted portion of a restrictable payment, whether the payment was made before, on or after that commencement.

### **Division 2—Other amendments**

#### ***Social Security (Administration) Act 1999***

##### **20 Section 124PM**

Repeal the section, substitute:

### **124PM Recipient's use of funds from restrictable payments**

A person who receives a restrictable payment may use the restricted portion of the payment, as paid under subsection 124PL(2), to obtain goods or services, other than:

- (a) alcoholic beverages; or
- (b) gambling; or
- (c) a cash-like product that could be used to obtain alcoholic beverages or gambling.

Note: For *cash-like product*, see section 124PQA.

### **21 Application provision**

The repeal and substitution of section 124PM of the *Social Security (Administration) Act 1999* made by this Division applies in relation to the use, on or after the commencement of this item, of the restricted portion of a restrictable payment, whether the payment was made before, on or after that commencement.

## **Part 3—Other amendments**

### ***Social Security (Administration) Act 1999***

#### **22 Paragraph 124PGC(1)(b)**

Omit “newstart allowance”, substitute “jobseeker payment”.

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*[Minister’s second reading speech made in—  
House of Representatives on 30 May 2018  
Senate on 25 June 2018]*

(117/18)

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*No. 110, 2018      Social Services Legislation Amendment (Cashless Debit Card Trial  
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